

## REMARKS

This application has been reviewed in light of the Office Action dated October 8, 2008. Claims 1-10 are presented for examination, of which Claims 1 and 10 are in independent form. Favorable reconsideration is requested.

The Office Action rejected Claims 1-10 are rejected under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 6,694,300 (*Walker et al.*) in view of U.S. Patent No. 6,578,011 (*Forward*). Applicants respectfully traverse these rejections and submit that independent Claims 1 and 10, together with the claims dependent thereon, are patentably distinct from the cited art for at least the following reasons.

Claim 1 recites, in part, “said parent is constructed to forward said one or more incentives to the subsidiary.” By virtue of this feature the parent is the gateway through which rewards are provided to its subsidiaries. The system thus encourages compliance of subsidiaries with the policies established by the parent, while the financier maintains data relating to financial accounts, parents, subsidiaries, clients, merchants, goods, services, incentives, and methodologies and/or algorithms for determining incentives.

On page 3, the Office Action concedes that *Walker et al.* fail to disclose the above quoted feature. The Office Action then looks to *Forward* for this teaching, relying on *Forward's* item locator system 12 sharing commissions with buyer 10. Applicants have carefully studied *Forward*, as a whole, and are unable to agree with the Office Action’s characterization of that reference for the following reasons.

As understood by Applicants, *Forward* provides an item locator system 12 to connect buyers and sellers of information without the use of a commissioned agent. Particularly, the item locator system 12 collects a commission/fee 40 from a seller for a particular transaction

and may provide an incentive to the buyer after completion of that transaction. *Forward*'s item locator system 12 solely acts as an intermediary between buyers and sellers to facilitate transactions between each. While incentives may be passed from *Forward*'s locator system 12 to a buyer, Applicants respectfully submit that this form of incentive distribution fails to teach or reasonably suggest the incentive forwarding from a parent to a subsidiary, where as claimed the parent and subsidiary do not act as a transaction processing entity and instead are end-users of financial transactions. Applicants respectfully submit that *Forward* suggests nothing more than providing incentives to the end-users of a particular financier, and thus clearly fails to teach or reasonably suggest forwarding incentives between entities exhibiting the claimed parent-subsidiary relationship.

For at least these reasons, Applicants submit that the Office cannot sufficiently establish a *prima facie* case of obviousness against Claim 1 in view of the cited art, and that the various proposed combinations of *Walker et al.* and *Forward*, even if deemed legally permissible or technically feasible, would fail to arrive at Claim 1.

Accordingly, the rejection under 35 U.S.C § 103(a) is believed obviated, and its withdrawal is respectfully requested.

Claim 10 recites similar features to those discussed above with respect to Claim 1 and is therefore believed to be allowable for at least the reasons discussed above.

The other rejected claims in this application depend from one or another of the independent claims discussed above and, therefore, are submitted to be patentable for at least the same reasons. Since each dependent claim is also deemed to define an additional aspect of the invention, individual reconsideration of the patentability of each claim on its own merits is respectfully requested.

Applicants' undersigned attorney may be reached in our New York Office by telephone at (212) 218-2100. All correspondence should continue to be directed to our address listed below.

Respectfully submitted,

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